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May 27, 2005

The Honorable Kent A. Jordan
United States District Court
for the District of Delaware
844 North King Street
Lock Box 10
Wilmington, DE 19801

VIA HAND DELIVERY

RE: PSA Inc. v. Dean Hollis Velazco, et al. – C.A. No. 04-0389 –KAJ

Dear Judge Jordan:

This letter serves as the Interim Status Report, pursuant to the scheduling order signed by Your Honor on February 4, 2005.

Currently pending is the Plaintiff's Motion to Amend Complaint. The Motion to Amend Complaint is opposed, and briefing has been completed. The Defendants intend to file a Motion to Dismiss in the next several weeks.

This adversary proceeding is based upon a dispute over which party breached its obligations under a contract related to a joint venture to install, maintain, and operate pay telephones in the Country of Mexico. Aside from the matters, which have been raised in the Complaint, and the defenses thereto, as well as the Motion to Amend Complaint, there are no other matters presently at issue.

The parties have filed their Rule 26 disclosures. To date, no other discovery has taken place, although it is expected that discovery will commence shortly.

Counsel for Defendants Inter-World Communications, Inc. ("IWIC"), Corpserve, S.A. de C.V., and Dean Hollis Velazco and counsel for the Plaintiff submit this letter jointly. The parties agree that there is nothing to report, or to add to this status report, and as such ask that the

interim status conference be cancelled, unless Your Honor wishes to confer with the parties.

Very truly yours,

/S/ Marla Rosoff Eskin

Marla Rosoff Eskin

cc: Sean Beach, Esq.
Jonathan Jordon, Esq.